

TORONTO STOCK EXCHANGE

LISTING STATEMENTEMPIRE LIFE INSURANCE COMPANY

An operating company empowered to transact business by the issue of Letters Patent of Incorporation under the Ontario Insurance Act on January 11th, 1923.

(Certificates transferable in Toronto)

CAPITAL SECURITIES AS AT 14th SEPTEMBER, 1951

STOCK	Par Value	Number of Shares Authorized	Number of Shares Issued	Number of Shares to be Listed
Common shares fully paid	\$10	55,787	32,024	32,024
FUNDED DEBT				
None.				

Kingston, September 14th, 1951

1. THE EMPIRE LIFE INSURANCE COMPANY (hereinafter referred to as the "Company") hereby makes application for listing on The Toronto Stock Exchange of its issued and outstanding capital stock comprising 32,024 common shares of a par value of \$10 each fully paid.

2. HISTORY OF COMPANY

The Company was originally organized and commenced business in January, 1923, under the provisions of the Ontario Insurance Act authorizing the establishment of a life insurance company in Ontario. Its Head Office was located in Toronto, Ontario.

In 1929 it absorbed the Commonwealth Life and Accident Insurance Company; in 1934 it acquired all the life insurance policies and sick benefits of the Canadian Order of Oddfellows and in 1936 it took over the business of the Mutual Relief Life Insurance Company and moved its Head Office to Kingston, Ontario.

The Company under the provisions of Provincial authorities conducts business in the Provinces of Prince Edward Island, Quebec, Ontario, Manitoba, Alberta and British Columbia and operates agencies in Jamaica and Bermuda.

3. NATURE OF BUSINESS AND NUMBER OF EMPLOYEES

The Company carries on the business of life insurance and employs 130 Head Office and Branch Office clerical staff and has approximately 165 agents under contract in the field.

4. INCORPORATION AND CAPITAL CHANGES

- Originally incorporated in 1923 by the issue of Letters Patent of Incorporation passed by the Province of Ontario with permanent Capital Stock of \$2,000,000 divided into 20,000 shares of \$100 par value each.
- In 1929 Supplementary Letters Patent were issued by the Province of Ontario confirming the Agreement dated August 20th, 1929, made between the Company and the Commonwealth Life and Accident Insurance Company providing for the amalgamation of the two companies and for the increase in the capital stock of the Company from \$2,000,000 to \$5,000,000 by the creation of 30,000 shares of \$100 par value each.
- On June 6th, 1934, the Company acquired the business of the Canadian Order of Oddfellows by a re-insurance agreement.
- In June, 1935, Supplementary Letters Patent under the Ontario Act authorized a decrease in the Company's capital stock from \$5,000,000 to \$2,500,000, such decrease to be effected by reducing the par value of the shares from \$100 to \$50 each.
- In 1936, the Company took over the business of the Mutual Relief Life Insurance Company by a re-insurance agreement between the two companies.
- The authorized capital of the Company was decreased from \$2,500,000 to \$557,870 in February, 1951, by Supplementary Letters Patent. The par value of the shares was reduced from \$50 to \$10 per share, in the case of issued shares now fully paid up. This change had the effect of extinguishing the liability of shareholders for unpaid capital.

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

5.

OPINION OF COUNSEL

The opinion of counsel is filed as a supporting document to this application.
6.

LIABILITY OF SHAREHOLDERS, STOCK PROVISION AND VOTING POWER

The shares have a par value of \$10 fully paid so that there is no personal liability attached to them. Each share carries one vote.
7.

SHARE ISSUES

Prior to February, 1951, the authorized capital stock of the Company was \$2,500,000 divided into 50,000 shares \$50 par value each, of which 26,170 shares had been subscribed for and issued. Of the 26,170 shares issued and outstanding 23,148 were paid up to the extent of \$12.50 per share and 3,022 to the extent of \$10 per share.

At a Special General Meeting of the Company held at Head Office on February 10th, 1951, the shareholders approved the by-law to adjust the capital structure as follows:

Decrease the authorized capital from the sum of \$2,500,000 divided into 50,000 shares of \$50 each to the sum of \$557,870 divided into 55,787 shares of \$10 each by:

 - (a) reduce the par value of the 23,830 unissued shares from \$50 to \$10;
 - (b) reduce the par value of the 3,022 issued shares on which \$10 has been paid up from \$50 to \$10 and extinguish the liability for uncalled and unpaid capital thereon in the amount of \$40 per share;
 - (c) reduce the aggregate par value of the 23,148 issued shares on which \$12.50 has been paid up from \$1,157,400 to \$289,350 and extinguish the liability for uncalled and unpaid capital thereon in an aggregate amount of \$868,050 being at the rate of \$37.50 per share; and
 - (d) subdivide the said 23,148 shares having a reduced aggregate par value of \$289,350 pro rata in to 28,935 shares of the par value of \$10 each.
8.

RECORD OF DIVIDENDS

The record of dividends paid by the Company during the past ten years is as follows:

1942 — Nil	1947 — 4% on the paid up value of the shares
1943 — 4% on the paid up value of the shares	1948 — 4% on the paid up value of the shares
1944 — 4% on the paid up value of the shares	1949 — 4% on the paid up value of the shares
1945 — 4% on the paid up value of the shares	1950 — 4% on the paid up value of the shares
1946 — 4% on the paid up value of the shares	1951 — 60 cents per share on the new \$10 par value shares.
9.

RECORD OF PROPERTIES

The Company owns its Head Office Building in Kingston. A three storey limestone building located on the corner lot of King and William Streets. Upper storey comprises three apartments under lease to tenants. Second and ground floors occupied by Head Office personnel. Value of property carried in 1950 Balance Sheet at \$88,965.

The Company maintains 23 branches located in rented quarters throughout those provinces in which it is licensed to transact business.
10.

SUBSIDIARY COMPANIES

There are no subsidiary companies.
11.

FUNDED INDEBTEDNESS

The Company has no funded indebtedness.
12.

OPTIONS, UNDERWRITINGS, ETC.

There are no outstanding underwritings, options, sale agreements, conversion privileges, purchase warrants or other contracts or agreements of like nature with respect to any of the outstanding capital stock.
13.

LISTING ON OTHER STOCK EXCHANGES

None.
14.

STATUS UNDER SECURITY ACT

No shares of the Company are being offered to the public and, consequently, no registration or approval of the Ontario Securities Commission is required.
15.

FISCAL YEAR

The fiscal year of the Company ends on the 31st day of December in each year.
16.

ANNUAL MEETING

The annual meeting of the Company is held at the Head Office in Kingston on the second Saturday in February. Last annual meeting was held on February 10th, 1951.

17. LOCATION OF HEAD AND OTHER OFFICES
The Head Office of the Company is located at 243 King Street East, Kingston, Ontario.
An executive and investment office is located at 50 King Street West, Toronto, Ontario.
Branch Offices are located in Charlottetown, Quebec City, Sherbrooke, Three Rivers, Montreal, Ottawa, Kingston, Belleville, Peterboro, Oshawa, Toronto, Hamilton, St. Catharines, London, Windsor, Kirkland Lake, Sudbury, Winnipeg, Edmonton, Vancouver.

18. TRANSFER AGENT
The Royal Trust Company, Toronto, is the only transfer agent of the Company.

19. TRANSFER FEES
No transfer fee is charged upon transfers of the Company's shares, other than the customary Government stock transfer fees.

20. REGISTRAR
The Royal Trust Company, Toronto, is the only registrar of the Company.

21. AUDITORS
The auditors of the Company are E. J. Howson, F.C.A., and A. B. Shepard, F.C.A., of Thorne, Mulholland, Howson and McPherson, Chartered Accountants, Toronto, Ontario.

22. OFFICERS

NAME	POSITION HELD	ADDRESS
Charles P. Fell.....	President.....	Park Lane, York Mills, Ontario
A. H. Keith Russell.....	1st Vice-President.....	37 Knightswood Road, Toronto, Ontario
George M. Orr.....	2nd Vice-President.....	23 Rothsay Ave., Toronto, Ontario
Herbert H. Blakeman.....	General Manager.....	27 Hill St., Kingston, Ontario
William J. Logie.....	Actuary.....	199 College St., Kingston, Ontario
Wilfred T. Fortye.....	Secretary and Treasurer.....	64 Barrie St., Kingston, Ontario

23. DIRECTORS

NAME	ADDRESS
Herbert H. Blakeman.....	27 Hill St., Kingston, Ontario.
Newman A. Fairhead.....	75 Highland Crescent, York Mills, Ontario
Charles P. Fell.....	Park Lane, York Mills, Ontario
George J. Guy.....	Port Nelson, Ontario
Norman P. Lambert.....	240 Coltrin Road, Ottawa, Ontario
D. Walter McCormick.....	33 Salisbury Ave., Galt, Ontario
Donald R. McLaughlin.....	R.R. No. 3, Georgetown, Ontario
George M. Orr.....	23 Rothsay Ave., Toronto, Ontario.
A. H. Keith Russell.....	37 Knightswood Road, Toronto, Ontario

24. CERTIFICATE
PURSUANT to a resolution duly passed by its Board of Directors, the applicant Company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



THE EMPIRE LIFE INSURANCE COMPANY
"CHARLES P. FELL," *President.*
"W. T. FORTYE," *Secretary and Treasurer.*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS
as of September 14th, 1951.

<i>Number</i>						<i>Shares</i>
1,263	Holders of	1 - 100	share lots			17,961
25	" "	101 - 200	" "			3,410
4	" "	201 - 300	" "			933
3	" "	301 - 400	" "			1,008
1	" "	401 - 500	" "			500
2	" "	501 - 1000	" "			1,082
3	" "	1001 - up	" "			7,130
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1,301	Stockholders			Total shares ..		32,024

FINANCIAL STATEMENT

BALANCE SHEET AS AT DECEMBER 31st, 1950

ASSETS

Cash on hand and in banks.....	\$ 208,716.06
Bonds and debentures.....	10,928,921.93
First mortgages on real estate.....	4,364,390.87
Preferred and common stocks.....	1,938,566.51
Real estate held for sale.....	61,309.61
Head office building.....	88,965.52
Loans on policies.....	892,565.73
Agreements for sale.....	7,300.73
Outstanding premiums, due and deferred, net.....	388,011.46
Interest and rents, due and accrued.....	186,846.87
All other assets.....	572.80
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	\$19,066,168.09

LIABILITIES

Policy reserves.....	\$16,015,485.00
Provision for unpaid and unreported claims.....	217,706.12
Amounts left with the Company at interest.....	535,830.46
Premiums paid in advance.....	15,008.44
Staff pension fund.....	243,891.43
Taxes, commissions and other amounts due and accrued.....	66,638.95
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	\$17,094,560.40

SURPLUS, SPECIAL RESERVES AND SHAREHOLDERS' FUNDS:

Unallotted surplus.....	\$ 542,244.42	
Voluntary reserve for contingencies.....	500,000.00	
Provision for profits to policyholders.....	239,346.00	
	<hr/>	\$ 1,281,590.42
Capital stock paid-in.....	\$ 319,570.00	
Capital surplus.....	312,905.00	
Shareholders' fund.....	57,542.27	
	<hr/>	\$ 690,017.27

Total funds for the additional protection of policyholders.....	1,971,607.69
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	\$19,066,168.09

AUDITORS' REPORT

We have audited the books of The Empire Life Insurance Company for the year ended December 31st, 1950. Our audit consisted of an examination of the above balance sheet and a test audit of the transactions during the year.

We have verified the cash and bank balances and investment securities.

We have examined the provision for unpaid claims, and, in our opinion, it is adequate.

The above Balance Sheet does not show as assets, unpaid balances owing by agents or other insurers and, in our opinion, does not include as assets, items prohibited by The Insurance Act from being shown in the annual statements required to be filed thereunder.

We have accepted the certificate of the Company's Actuary as to the amount of the policy reserves and the other liabilities to policyholders.

We have, after due consideration, formed an independent opinion as to the position of the Company and, in our independent opinion so formed, and according to the best of our information and the explanations given us, we certify that the above Balance Sheets sets forth fairly and truly the state of the affairs of the Company as at December 31st, 1950, and is in accordance with the books, that all our requirements, as auditors, have been complied with and that, in our opinion, all transactions of the Company which have come within our notice have been within the powers of the Company.

THORNE, MULHOLLAND, HOWSON & McPHERSON

Chartered Accountants.

"E. J. HOWSON," *F.C.A.*

"A. B. SHEPARD," *F.C.A.*

Certified true copy.

"W. F. FORTYE," *Secretary and Treasurer.*

STATEMENT OF INCOME AND EXPENDITURE, YEARS ENDED DECEMBER 31st

	1950	1949	1948	1947	1946
INCOME:					
Premium income (net).....	\$2,319,598	\$2,228,608	\$2,087,517	\$2,002,399	\$1,825,428
Policy proceeds left with the Company.....	155,187	104,890	110,573	124,899	96,621
Interest, dividends and rent.....	725,895	674,132	625,432	565,659	537,055
Profit on sale and adjustment of assets (net)	62,214	44,223	279	99,828	283,601
Miscellaneous income.....	18,445	811	13,780	6,886	10,026
	<u>\$3,281,339</u>	<u>\$3,052,664</u>	<u>\$2,837,581</u>	<u>\$2,799,671</u>	<u>\$2,752,731</u>
DISBURSEMENTS:					
Payments to policyholders:					
Death and other claims.....	\$ 607,965	\$ 508,870	\$ 512,544	\$ 592,598	\$ 526,485
Policies matured and surrendered for cash.....	500,217	404,271	442,012	326,397	328,083
Dividends on policies	89,996	83,265	70,764	48,046	55,345
Annuity payments.....	14,866	31,021	13,758	13,152	14,552
Left with Company—paid out.....	88,315	63,040	52,413	56,072	45,476
	<u>\$1,301,359</u>	<u>\$1,090,467</u>	<u>\$1,091,491</u>	<u>\$1,036,265</u>	<u>\$ 969,941</u>
Taxes, licenses and fees.....	43,467	43,927	38,282	41,011	37,329
Head office and investment expenses.....	339,902	304,840	264,041	290,482	243,877
Branch and agency expenses.....	472,234	459,502	402,101	467,112	465,099
Increase in policy reserves.....	960,374	872,362	837,624	877,043	761,015
Other charges and adjustment.....	36,591	21,392	—	—	—
	<u>\$3,153,927</u>	<u>\$2,792,490</u>	<u>\$2,633,539</u>	<u>\$2,711,913</u>	<u>\$2,477,261</u>
Net surplus on revenue account.....	127,412	260,174	204,042	87,758	275,470
	<u>\$3,281,339</u>	<u>\$3,052,664</u>	<u>\$2,837,581</u>	<u>\$2,799,671</u>	<u>\$2,752,731</u>

Certified true copy

"W. T. FORTYE," *Secretary and Treasurer.*

